

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**SB 3045 – HB 3862**

February 8, 2010

**SUMMARY OF BILL:** Mandates that wills or trusts of decedents dying during CY2010 which contain formulas referencing certain specified exemptions, credits, exclusions, and deductions shall be construed as referring to the federal estate and generation-skipping transfer tax laws as they applied with respect to estates of decedents dying on December 31, 2009. Authorizes any personal representative, or any affected beneficiary under the will or other instrument, to bring a proceeding to determine whether the decedent intended for the referencing formulas be construed with respect to the federal estate and generation-skipping transfer tax law as it existed after December 31, 2009. Requires any such proceeding to be commenced within 12 months following the death of the testator or grantor, and not thereafter.

**ESTIMATED FISCAL IMPACT:**

**State Revenue – Net Impact – Not Significant  
Increase State Expenditures – Not Significant**

**Assumptions:**

- According to the Department of Revenue (DOR), the federal estate tax expired on December 31, 2009 and Congress has not yet taken any action to reinstate the tax.
- According to DOR, if a federal estate tax were to become effective prior to the end of CY2010, this bill would only apply through the date the federal estate tax becomes effective.
- Based on the information provided by DOR, any net change of revenue derived from the state's inheritance tax is considered not significant.
- Based on information provided by the Administrative Office of the Courts, any increase to state expenditures involving probate courts would be considered not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White".

James W. White, Executive Director

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